

# EXHIBIT 1

UNITED STATES DISTRICT COURT.  
FOR THE DISTRICT OF MASSACHUSETTS

UNITED STATES OF AMERICA )  
450 Fifth Street NW, Suite 8000 )  
Washington, DC 20530 ) Case No.  
 ) 1:23-cv-10511-  
COMMONWEALTH OF MASSACHUSETTS )  
One Ashburton Place, 18th Floor ) WGY  
Boston, MA 02108 )

DISTRICT OF COLUMBIA )  
400 Sixth Street NW, Tenth Floor )  
Washington, DC 20001 )

STATE OF CALIFORNIA )  
300 South Spring Street )  
Suite 1702 )  
Los Angeles, CA 90013 )

STATE OF MARYLAND )  
200 St. Paul Place, 19th Floor )  
Baltimore, MD 21202 )

STATE OF NEW JERSEY )  
124 Halsey Street - 5th Floor )  
Newark, New Jersey 07102 )

STATE OF NEW YORK )  
28 Liberty Street, 20th Floor )  
New York, NY 10005 )

and )

STATE OF NORTH CAROLINA )  
P.O. Box 629 )  
Raleigh, NC 27602 )

Plaintiffs,

vs.

JETBLUE AIRWAYS CORPORATION  
27-01 Queens Plaza North  
Long Island City, NY 11101  
and

and  
SPIRIT AIRLINES, INC.  
2800 Executive Way  
Miramar, FL 33025

Defendants.

1  
2 HIGHLY CONFIDENTIAL  
3

4 Videotaped deposition of TASNEEM  
5 CHIPTY, Ph.D., taken stenographically before  
6 MARGARET M. REIHL, RPR, CCR, CRR, at the offices  
7 of Cornerstone Research, 2001 K Street NW, Suite  
8 800, Washington, DC 20006, on Thursday, August  
9 31, 2023, commencing at 9:06 a.m.

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1 elasticity, you can anticipate quantity change.  
2 But that's not how, at least, I normally thought  
3 about it. I think about it in terms of the fare  
4 increase and what that means in terms of market  
5 demand and maybe contraction of output.

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15 Q. And the way averages work, some  
16 prices might be higher and some prices might be  
17 lower?

18 A. Sure, that's the nature of an  
19 average. But you wouldn't have contraction in  
20 demand if you had lots of things -- if that  
21 average was driven by an outlier on the high  
22 end. So it must mean that the average is driven  
23 by a sufficient number of seats to drive demand  
24 out of the market.

25 Q. You didn't estimate demand in

1       this case, correct?

2           A.       No, I didn't. JetBlue did based  
3       on its own analysis.

4           Q.       You didn't do any work to verify  
5       that that demand estimation was accurate,  
6       correct?

7           A.       I looked at their analysis of  
8       entry and exit, and I could see where they got  
9       it from. But no, I didn't do my independent  
10      assessment of their study beyond looking at  
11      their backup papers.

12          Q.       Did you replicate their analysis?

13          A.       Yeah, I can see exactly how they  
14      calculated it.

15          Q.       So in your work you went through  
16      every step they went through with the data they  
17      used and confirmed that they did it correctly?

18          A.       I don't know what "every step"  
19      means. I didn't repull the data they show in  
20      there. But, sure, I looked at it, and I  
21      understood how they came up with it, and it  
22      seemed reasonable for what they were doing.

23          Q.       Have you ever heard of the Pareto  
24      Principle?

25          A.       Not sure what you mean by it but